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OP IMMED
FH84541WA397
DE RUFHAU #2407 0772240
O 182235Z MAR 74
FM AMEMBASSY VIENNA

TO SECSTATE WASHDC IMMEDIATE 2054

INFO AMEMBASSY ABU DHABI IMMEDIATE 14
USINT ALGIERS IMMEDIATE 104
USINT BAGHDAD IMMEDIATE 21
AMEMBASSY BEIRUT IMMEDIATE 529
AMEMBASSY BONN IMMEDIATE 2343
USMISSION EC BRUSSELS IMMEDIATE 1608
AMEMBASSY CAIRO IMMEDIATE 49
AMEMBASSY CARACAS IMMEDIATE 128
AMEMBASSY DOHA IMMEDIATE 7
AMEMBASSY JAKARTA IMMEDIATE 104
AMEMBASSY JIDDA IMMEDIATE 110
AMEMBASSY KUWAIT IMMEDIATE 96
AMEMBASSY LAGOS IMMEDIATE 111
AMEMBASSY LIBREVILLE IMMEDIATE 15
AMEMBASSY LONDON IMMEDIATE 2826
USMISSION DECD PARIS IMMEDIATE 2666
AMEMBASSY PORT OF SPAIN IMMEDIATE 30
AMEMBASSY QUITO IMMEDIATE 20
AMEMBASSY ROME IMMEDIATE 1566
AMEMBASSY TEHRAN IMMEDIATE 349
AMEMBASSY TOKYO IMMEDIATE 647
AMEMBASSY TRIPOLI IMMEDIATE 119

UNCLAS VIENNA 2407

E.O. 11652: N/A
TAGS: PFOR, ENRG, OPEC, AU
SUBJECT: DAPEC PRESS CONFERENCE
REF: VIENNA 2404

1. FOLLOWING IS EMBASSY UNDERSTANDING OF SOME HIGH POINTS
OF ABDESSELAM AND YAMANI STATEMENTS TO NEWSMEN FOLLOW-
ING READING OF THE DAPEC COMMUNIQUE REPORTED REFTEL.

2. ASKED IF THERE WOULD BE RETURN TO FULL PRODUCTION,
YAMANI ANSWERED THAT PRODUCTION WOULD BE INCREASED TO A

*****WHSR COMMENT*****

SCOWCROFT,LL,SAUNDERS

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LEVEL ENABLING MEMBER COUNTRIES TO MEET THE NEW RESOLUTION, THAT OIL WOULD BE EXPORTED TO THE U.S. IN THE SAME AMOUNT AS IN THE PAST, AND EXPORTED TO THE U.S. IN THE SAME AMOUNT AS IN THE PAST, AND EXPORTS TO ITALY AND WEST GERMANY WOULD BE INCREASED. THERE WOULD BE NO FIXED LEVEL OF PRODUCTION, YAMANI SAID, BUT AN INCREASE IN PRODUCTION WHICH WOULD VARY FROM ONE COUNTRY TO ANOTHER. HE WAS UNDERSTOOD TO SAY THAT ARAB MINISTERS WOULD MEET IN CAIRO TO REVIEW PRODUCTION LEVELS ALONG WITH THE QUESTION OF THE EMBARGO, ALSO THAT ONE MILLION BARRELS PER DAY OF SAUDI ARABIAN CRUDE ALONE WOULD BEGIN FLOWING TO THE U.S. HE DIDN'T KNOW HOW MUCH OTHER COUNTRIES WOULD SEND TO U.S. YAMANI REPORTEDLY TOLD NEWSMEN THAT EGYPT, KUWAIT, SAUDI ARABIA, UAE, BAHRAIN AND QATAR HAD DECIDED TO LIFT EMBARGO WITHOUT RESTRICTIONS, THAT SYRIA AND LIBYA DID NOT AGREE TO THE LIFTING OF EMBARGO BECAUSE BOTH STATES WANTED TO MAKE SUCH ACTION DEPENDENT UPON FURTHER WITHDRAWAL OF ISRAELI TROOPS FROM OCCUPIED TERRITORY. ASKED WHETHER EMBARGO AGAINST THE DUTCH WAS STILL ON, YAMANI SAID EMBARGO AGAINST HOLLAND AND DENMARK WOULD BE MAINTAINED, THAT NEITHER COUNTRY HAS ASKED FOR A COMPLETE WITHDRAWAL OF ISRAELI TROOPS. ABDESSELAM EMPHASIZED THAT AMERICAN MIDDLE EAST POLICY HAD ASSUMED A NEW DIMENSION AND HE ALSO DWELT IN HIS REMARKS ON FAVORABLE CHANGE IN MIDDLE EAST POLICIES OF BELGIUM, JAPAN, ITALY, AND WEST GERMANY. HE EXPLAINED THAT ALTHOUGH MOST OPEC COUNTRIES THOUGHT TIME HAD COME TO MAKE A GESTURE OF GOOD WILL TO THE US IN RECOGNITION OF ITS CHANGE IN MIDDLE EASTERN POLICIES AND IN HOPES THAT THIS WOULD ENCOURAGE US TO CONTINUE PRESSING FOR FULL SOLUTION TO ARAB ISRAELI PROBLEM, SYRIA AND LIBYA THOUGH THE US HAD NOT YET DONE ENOUGH. HE SAID THAT IT WAS EASY TO AGREE ON A POLICY VIS-A-VIS EUROPE, BUT NOT SO EASY WITH US AND IT WAS HERE THAT DIVERGENCES AROSE IN THE OPEC MEETINGS IN TRIPOLI AND VIENNA. AS FOR ALGERIA, HE SAID THAT SHE FEELS LIFTING OF EMBARGO SHOULD BE PROVISIONAL, THAT IT REMAINS TO BE SEEN IF THE US WILL CONTINUE TO ACT RESPONSIBLY AND WORK TOWARD COMPLETE EVACUATION OF ARAB TERRITORIES. HE SAID THAT ALGERIA AND OTHERS FEEL WITHOUT US SUPPORT, ISRAEL COULD NOT CONTINUE TO OCCUPY ARAB TERRITORIES. ABDESSELAM SAID ALSO THAT THE FUTURE LIES IN DIRECT AGREEMENT BETWEEN OIL PRODUCERS AND OIL CONSUMERS WITHOUT INTERVENTION OF INTERMEDIARIES.

3. LIBYA MINISTER MABRUK LEFT OPEC CONFERENCE ROOM AND HOTEL BEFORE PRESS CONFERENCE BEGAN. HE REPORTEDLY TOLD REPORTERS ON DEPARTURE THAT QUOTE WE ARE GOING TO CONTINUE TO IMPOSE THE EMBARGO AND WE INTEND TO KEEP

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OUR PRESENT LEVELS OF PRODUCTION UNQUOTE.

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